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December 20, 2005

**BY HAND AND E-FILING**

Mary L. Cottrell, Secretary  
Department of Telecommunications and Energy  
One South Station  
Boston, MA 02110

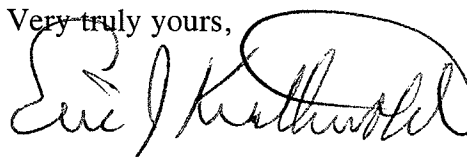
Re: D.T.E. 05-85, NSTAR Electric/NSTAR Gas, Proposed Rate Settlement

Dear Ms. Cottrell:

In accordance with the Department's Notice of Filing and Public Hearing and the Department's Procedural Rules, we file herewith an original and ten copies of the Petition to Intervene of ISO-New England Inc.

If there are any questions about this filing, kindly contact the undersigned.

Very truly yours,



Eric J. Krathwohl

Enclosure

cc: Andrew O. Kaplan, Esq., General Counsel – D.T.E.  
Shaella Collins, Esq.  
Robert N. Werlin, Esq.  
Matthew F. Goldberg, Esq.

COMMONWEALTH OF MASSACHUSETTS  
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

Petition of Boston Edison Company, Cambridge Electric Light Company, Commonwealth Electric Company and NSTAR Gas Company, pursuant to General Laws Chapter 164, § 94, and 220 C.M.R. §§ 5.00 et seq. for approval of a rate settlement effective January 1, 2006.

D.T.E. 05-85

**PETITION OF ISO NEW ENGLAND INC.  
FOR LEAVE TO INTERVENE AS A PARTY**

Pursuant to 220 C.M.R. 1.03, ISO New England Inc. ("ISO") hereby petitions the Department of Telecommunications and Energy ("DTE" or "Department") for leave to intervene as a party in the above proceedings, stating in support thereof the following:

1. The ISO is the private, non-profit Independent System Operator for New England, located at One Sullivan Road, Holyoke, Massachusetts, that is responsible for the day-to-day operation of New England's bulk electric generation and transmission system (the "System"). More specifically, ISO is the independent entity that, pursuant to agreements and tariffs filed with and authorized, from time to time, by the Federal Energy Regulatory Commission ("FERC"): (i) operates the New England Control Area; (ii) administers the Open Access Transmission Tariff ("OATT"); and (iii) administers a power exchange consisting of several Markets and provides administrative support for bilateral and self-scheduled transactions. ISO has the responsibility to protect the short-term reliability of the control area, to administer competitive and efficient wholesale markets, and to plan for and ensure a reliable bulk power system for New England.

2. The DTE opened this docket to review the Petition of Boston Edison Company Cambridge Electric Light Company, Commonwealth Electric Company d/b/a NSTAR Electric ("NSTAR Electric" or the "Company"), and NSTAR Gas Company pursuant to General Laws Chapter 164 section 94 and 220 C.M.R. 5.00, for approval of a rate settlement effective January 1, 2006 (the "Proposed Rate Settlement"). Pursuant to an order of the Department dated December 7, 2005, the Department established public hearings and an intervention date of December 20, 2006.

3. The Proposed Rate Settlement, particularly as pertinent to ISO's interests and this Petition to Intervene, stated in Section 2.32: "NSTAR Electric shall continue to pursue through litigation at the FERC, and otherwise, to advocate on behalf of its customers in order to mitigate electricity market inefficiency costs. The Settling Parties agree that, if such initiatives are successful, it is appropriate that NSTAR Electric share with customers in the benefits that result from reductions in the costs of energy, capacity reserves and operating reserves that result from reducing transmission constraints and market inefficiencies...". The Proposed Rate Settlement (Section 2.33) also states "that NSTAR Electric and the Attorney General shall work together to develop a program to identify the causes for the difference between the actual electric market dispatch in New England and the unconstrained marginal cost dispatch." Such efforts go to the core of ISO's mission.

4. The issues described in paragraph 3. above are central to the function of ISO and consequently the Proposed Rate Settlement may have both procedural and substantive impacts on ISO. Also, ISO is uniquely able to address wholesale market issues and potentially the extent (if any) to which NSTAR Electric efforts result in efficiency improvements. Therefore, consistent with the Notice of Filing and Public Hearing, ISO requests that it be permitted to intervene as a party at this time in order to adequately represent and protect its interests in this proceeding. In support of this request, ISO states the following. ISO is substantially and specifically affected by this proceeding because it is responsible for the administration of competitive and efficient wholesale electric markets in New England, as well as the reliability of

electric supply and transmission in the New England control area, which includes the Boston Edison Company service area. An important portion of the Rate Settlement concerns the ongoing efforts to improve the efficiency of wholesale electric markets in Massachusetts and elsewhere in the New England control area and may both affect, and be affected by, the determination of efficiency in such markets. Therefore, ISO has substantial interests that may be adversely affected by the outcome of this proceeding.

5. This proceeding affords the exclusive means by which ISO can address the specific issues raised by the Proposed Rate Settlement and thereby protect the interests discussed above. ISO's interest in this matter cannot be adequately addressed or represented by any other party. Further, ISO's unique expertise in the area of wholesale market administration, electric generation, transmission, system reliability, and bulk power system planning operation will assist the Department in resolving issues in this docket. Consequently, ISO's participation in this proceeding will help ensure the development of a comprehensive record, while affording ISO the opportunity to maximize its ability to fulfill its obligations as noted above.

6. If granted leave to intervene, ISO intends to fully participate in this proceeding by means of filing of briefs and comments, and testimony or other relevant evidence.

7. All communications and correspondence for this proceeding should be directed to:

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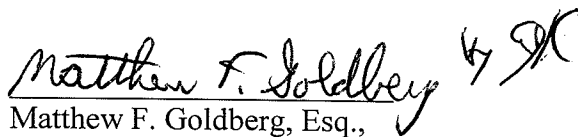
**WHEREFORE**, ISO New England Inc. requests that it be permitted to intervene in these proceedings as a full party.

Respectfully submitted,  
ISO New England Inc.

By:



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